

S. 937 Amdt.

AMENDMENT NO.

CAL. NO.

COMMITTEE AMENDMENT

[Staff Working Draft]

June 18, 1999

Purpose: To strike references to FY 2001.

IN THE COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION\_ 106 th  
Cong., 1 st Sess.

S. 937, 106 th Congress, 1 st Session

June 23, 1999

Intended to be proposed by Mrs. Hutchison

Viz: Strike out all after the enacting clause and insert the following:

## SECTION 1. SHORT TITLE.

This Act may be cited as the ``Maritime Administration Authorization Act for Fiscal Year 2000".

## SEC. 2. AUTHORIZATION OF APPROPRIATIONS FOR FISCAL YEARS 2000.

There are authorized to be appropriated to the Secretary of Transportation for the Maritime Administration as follows:

(1) For expenses necessary for operations and training activities, not to exceed \$79,764,000 for the fiscal year ending September 30, 2000.

(2) For the costs, as defined in section 502 of the Federal Credit Reform Act of 1990, of guaranteed loans authorized by Title XI of the Merchant Marine Act, 1936, (46 U.S.C. App. 1271 et seq.), \$6,000,000, to be available until expended. In addition, for administrative expenses related to loan guarantee commitments under Title XI of the Merchant Marine Act, 1936, (46 U.S.C. App. 1271 et seq.), \$3,893,000.

## SEC. 3. AMENDMENTS TO TITLE XI OF THE MERCHANT MARINE ACT, 1936.

(a) Authority To Hold Obligation Proceeds in Escrow.\_ Section 1108(a) of the Merchant Marine Act, 1936 (46 U.S.C. 1279a(a) App.) is amended by striking so much as precedes ``guarantee of an obligation" and inserting the following:

``(a) Authority To Hold Obligation Proceeds in Escrow.\_ (1) If the proceeds of an obligation guaranteed under this title are to be used to finance the construction, reconstruction, or reconditioning of a vessel that will serve as security for the guarantee, the Secretary may accept and hold, in escrow under an escrow agreement with the obligor\_

``(A) the proceeds of that obligation, including such interest as may be earned thereon; and

``(B) if required by the Secretary, an amount equal to 6 month's interest on the obligation.

``(2) The Secretary may release funds held in escrow under paragraph (1) only if the Secretary determines that the funds released are needed\_

``(A) to pay, or make reimbursements in connection with payments previously made for work performed in that construction, reconstruction, or reconditioning; or

``(B) to pay for other costs approved by the Secretary, with respect to the vessel or vessels.

``(3) If the security for the'.

(b) Authority To Hold Obligor's Cash as Collateral.\_ Title XI of the Merchant Marine Act, 1936 is amended by inserting after section 1108 the following:

``SEC. 1109. DEPOSIT FUND.

``(a) Establishment of Deposit Fund.\_ There is established in the Treasury a deposit fund for purposes of this section. The Secretary may, in accordance with an agreement under subsection (b), deposit into and hold in the deposit fund cash belonging to an obligor to serve as collateral for a guarantee under this title made with respect to the obligor.

``(b) Agreement.\_

``(1) In General.\_ The Secretary and an obligor shall enter into a reserve fund or other collateral account agreement to govern the deposit, withdrawal, retention, use, and reinvestment of cash of the obligor held in the deposit fund established by subsection (a).

``(2) Terms.\_ The agreement shall contain such terms and conditions as are required

under this section and such additional terms as are considered by the Secretary to be necessary to protect fully the interests of the United States.

“(3) Security interest of United States.\_ The agreement shall include terms that grant to the United States a security interest in all amounts deposited into the deposit fund.

“(c) Investment.\_ The Secretary may invest and reinvest any part of the amounts in the deposit fund established by subsection (a) in obligations of the United States with such maturities as ensure that amounts in the deposit fund will be available as required for purposes of agreements under subsection (b). Cash balances of the deposit fund in excess of current requirements shall be maintained in a form of uninvested funds and the Secretary of the Treasury shall pay interest on these funds.

“(d) Withdrawals.\_

“(1) In general.\_ The cash deposited into the deposit fund established by subsection (a) may not be withdrawn without the consent of the Secretary.

“(2) Use of income.\_ Subject to paragraph (3), the Secretary may pay any income earned on cash of an obligor deposited into the deposit fund in accordance with the terms of the agreement with the obligor under subsection (b).

“(3) Retention against default.\_ The Secretary may retain and offset any or all of the cash of an obligor in the deposit fund, and any income realized thereon, as part of the Secretary's recovery against the obligor in case of a default by the obligor on an obligation.”.

#### SEC. 4. AMENDMENTS TO TITLE IX OF THE MERCHANT MARINE ACT, 1936.

(a) Title IX of the Merchant Marine Act, 1936, (46 U.S.C. App. 1241 et seq.) is amended by inserting after section 902 the following:

##### “SEC. 903. DOCUMENTATION OF CERTAIN DRY CARGO VESSELS.

“(a) In General.\_ The restrictions of section 901(b)(1) of this Act concerning the building, rebuilding, or documentation of a vessel in a foreign country shall not apply to dry bulk vessels and breakbulk vessels over 5,000 deadweight tons constructed, reconstructed, or acquired in a foreign shipyard within 1 year after the date of enactment of the Maritime Administration Authorization Act for Fiscal Year 2000 and before the date on which the OECD Shipbuilding Trade Agreement enters into force, and transferred to U.S.-flag registry under section 12105 of title 46, United States Code, if\_

“(1) the vessels have non-emergency shipyard repairs, and other shipyard work necessary to conform the vessel to U.S.-flag standards, performed in a shipyard of the United States;

“(2) the vessels comply with the standards set forth in section 1137 of the Coast Guard Authorization Act of 1996 (46 U.S.C. App. 1187 note); and

“(3) the vessels have not be granted approval under section 9(e) of the Shipping Act, 1916 (as amended by section 1136(b) of the Coast Guard Authorization Act of 1996).

“(b) Application of Section 607.\_ Section 607 of this Act does not apply to vessels the construction, reconstruction, modification, or acquisition of which is described in subsection (a).”.

(b) Section 901(b)(2) of the Merchant Marine Act, 1936, (46 U.S.C App. 1241(f)(2)) is amended by striking “1986.” and inserting “1986, the 18-month period commencing April 1, 1999, and the 12-month period beginning on the first day of October in the year 2000 and each year thereafter.”.

## SEC. 5. EXTENSION OF WAR RISK INSURANCE AUTHORITY.

Section 1214 of the Merchant Marine Act, 1936, (46 App. U.S.C. 1294) is amended by striking “June 30, 2000.” and inserting “June 30, 2005”.

## SEC. 6. TRANSPORTATION REPORT ON MARITIME ACTIVITIES.

Section 208 of the Merchant Marine Act, 1936, (46 U.S.C. App. 1118) is amended by striking “1 each” and inserting “1st of each odd-numbered”.

## SEC. 7. OWNERSHIP OF THE JEREMIAH O'BRIEN.

Section 3302(l)(1)(C) of title 46, United States Code, is amended by striking “United States Maritime Administration.” and inserting “National Liberty Ship Memorial, Inc.”.

## SEC. 8. MARITIME RESEARCH AND TECHNOLOGY DEVELOPMENT.

(a) In General.\_ The Maritime Administration shall conduct a study of maritime research and technology development, and report its findings and conclusions, together with any recommendations it finds appropriate, to the Congress within 9 months after the date of enactment of this Act.

(b) Required Areas of Study.\_ The Administration shall include the following items in the report required by subsection (a):

(1) The approximate dollar values appropriated by the Congress for each of the 5 fiscal years ending before the study is commenced for each of the following modes of transportation:

(A) Highway.

(B) Rail.

(C) Aviation.

(D) Public transit.

(E) Maritime.

(2) A description of how Federal funds appropriated for research in the different transportation modes are utilized.

(3) A summary and description of current research and technology development funds appropriated for each of those fiscal years for maritime research initiatives, with separate categories for funds provided to the Coast Guard for marine safety research purposes.

(4) A description of cooperative mechanisms that could be used to attract and leverage non-federal investments in United States maritime research and technology development and application programs.

(5) Proposals for research and technology development funding to facilitate the evolution of Maritime Transportation System.

(c) Authorization of Appropriations.\_ There are authorized to be appropriated \$100,000 to carry out this section.

Amend the title so as to read: ``A Bill to authorize appropriations for fiscal year 2000 for certain maritime programs of the Department of Transportation, and for other purposes.